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FIRST COUNTRY COOPERATION FRAMEWORK FOR THE SUDAN (1997-2001)

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INTRODUCTION

1. The first country cooperation framework (CCF) for the Sudan (1997-2001) was drafted by a joint government/UNDP task force, the result of a series of meetings held between November 1996 and February 1997, involving representatives of the Government, UNDP, other United Nations agencies, bilateral and multilateral donors, non-governmental organizations (NGOs) and leaders of civil society. The first CCF draws from and builds on the experience already gained by UNDP and other donors supporting programmes in the Sudan. It also takes into account several national studies, project evaluations, the mid-term review of the fourth country programme, and the Area Development Scheme Impact Assessment Study.

2. In line with the organization's sustainable human development (SHD) mandate and the development situation in the country, the first CCF advocates the catalytic use of UNDP resources in the areas of poverty eradication, job creation, environmental regeneration and gender equity. It also takes into account the consequences of civil strife, governance problems and the sharply declining donor resources available to the Sudan.

I. DEVELOPMENT SITUATION FROM A SUSTAINABLE HUMAN DEVELOPMENT PERSPECTIVE

3. The Sudan is characterized by widespread poverty. Within the last three decades, the number of people living below the poverty line has risen from approximately 50 to 80 per cent of the population. According to the most recent government statistics available, indicators of rising poverty include: the decline of the average per capita income from over $500 in the late 1970s to around $300 in 1996; low life expectancy at birth (55 years); high infant and under-five mortality rates of 110 and 125 per 1,000 live births, respectively; a maternal mortality rate of 365 per 100,000 births; under-five malnutrition at 14 per cent; a high illiteracy rate of 53 per cent (42 per cent among males and 65 per cent among females); a low rate of access to safe drinking water (10 per cent in rural areas and 55 per cent in urban areas); and a high incidence of infectious diseases, some of which are endemic, such as malaria, and more recently, HIV/AIDS, spreading from southern to northern Sudan.

4. The causes of poverty and the forces behind its rapid spread result from economic, social, political and environmental factors. The civil war, related conflicts and natural disasters have exacerbated the problem by diverting scarce financial and human resources away from development. Moreover, during the 1980s and early 1990s, drought led to severe food shortages, precipitating massive rural-to-urban population migration. Intermittent floods also continue to have a negative impact on food production and supply, precipitate the dislocation of populations and generate labour migration and population movements into different regions of the country.

5. The ten-year Comprehensive National Strategy (CNS) (1992-2002) identifies the elimination of poverty and the improvement of the living conditions of the Sudanese people as the principal and ultimate development objective of the country. The CNS is the main document that guided the elaboration of the

1997-2001 country strategy note (CSN), which, in turn, calls for the formulation of a series of studies to determine the extent, magnitude and effects of poverty and the strategy and resources required to eliminate it.

6. The CSN provides for vocational training in rural areas and the creation of new trades, emphasizing training programmes for women, youth, the handicapped and the elderly. The CSN also aims at improving the situation of women by mainstreaming their role in Sudanese society, creating new avenues for women to pay instrumental roles in the social, economic and political reformation of the country, and providing services to meet their basic needs.

7. As part of the poverty eradication strategy, the CSN also calls for the protection and regeneration of the environment through: (a) afforestation and reforestation; (b) maintaining the natural ecological balance that guarantees sustainable outputs from land and natural resources; (c) the efficient utilization of water and other natural resources; (d) public awareness campaigns on environmental conservation; and (e) the proper utilization of chemicals that may adversely affect the environment if misused. The CSN poverty eradication strategy also aims at the strengthening of decentralization through the relatively new federal system of governance, which divides the country into 26 states; privatization and reduced state controls; and the concentration of government resources on social services, infrastructure and the development of human resources.

II. RESULTS AND LESSONS OF PAST COOPERATION

8. Until the late 1980s, Sudan enjoyed significant official development assistance (ODA), which peaked in 1985 at $1,907 million. ODA dropped to approximately $100 million in 1996. The prevailing situation in the country has also brought about a radical shift in the support provided by the international donor community towards humanitarian objectives, with over 80 per cent of donor resources going to relief and emergency operations, leaving less than 20 per cent for development. This, coupled with the national debt burden, estimated at $18 billion, has curtailed national development programmes, leading to a situation whereby at least 90 per cent of ongoing development programmes are financed by the United Nations system.

9. The fourth country programme for the Sudan (1993-1996) covered three main areas: (a) sustainable rural development; (b) promotion of food security; and (c) strengthening national capacity to manage development and to implement macroeconomic reform. In the area of sustainable rural development, UNDP supported area development schemes as part of a bottom-up participatory programme. The area development approach has emerged as one of the most powerful instruments for poverty alleviation at the grass-roots level, promoting democracy and civic responsibility and providing opportunities for confidence-building, conflict resolution and the sustenance of peace through social interaction and outreach programmes between various states.

10. The 1995 mid-term review reconfirmed the area development scheme programme as a successful grass-roots development model. In 1996, it was further confirmed that the programme had provided a unique opportunity to promote the

programme approach. The Area Development Scheme Impact Assessment Study, also carried out in 1996, elaborated indicators to assess the impact and sustainability of area development schemes, linkages between the four pillars of SHD (poverty eradication, job creation, environmental regeneration and gender equity); the relationship between the bottom-up approach and sustainability; and coordination among United Nations agencies.

11. One of the concerns of the study was the lack of integration of the nomadic communities into the area development scheme programme, as well as the need to also address the problems of the urban poor and displaced. Moreover, the original design excluded the provision of basic social services. The United Nations Children's Fund (UNICEF) thus extended its child-friendly village initiatives programme to all five area development scheme project areas.

12. Work in the area of food security focused primarily on increasing food production at the household level, mainly in the area development and area rehabilitation scheme project areas, environmental and other projects to address the management of the natural resource base for sustained agricultural production, and a food grain storage project aimed at enhancing people's access to food in a sustainable manner. Interventions through the third intercountry programmes for the Arab States complemented country programme activities to improve the country's food security.

13. Only modest progress was made in the area of strengthening national capacity to manage development and implement macroeconomic reform, mainly because of changes in the country's economic policies introduced between 1992 and 1994, as well as the declaration adopted by the International Monetary Fund (IMF) in 1986 rendering the Sudan ineligible for financial resources, the decision taken by the World Bank in September 1993 to freeze its activities in the Sudan, and the continuous threat of the compulsory withdrawal of the Sudan from IMF since early 1994.

III. PROPOSED STRATEGY AND THEMATIC AREAS

14. The major goal of the first CCF is to promote SHD, with a specific focus on poverty eradication. Furthermore, as peace is a prerequisite to development, the CCF will also promote efforts to resolve the current conflict, which is draining national resources (natural, financial and human) that would otherwise be available for development purposes. Accordingly, the overall strategy is to address relevant SHD issues pertaining to the Sudan's unique situation, making full use of the recommendations of the main United Nations global conferences.

A. Participatory area development

15. In the relatively peaceful areas of the Sudan, area development schemes will be continued and expanded to new project areas. In area development schemes already under way, activities will concentrate on monitoring and evaluating subprojects initiated under phase II, emphasizing those identified to be viable and sustainable during the impact assessment study. The institutional arrangements put into place to promote grass-roots development initiatives will

be consolidated, mainly by training beneficiaries in such areas as project appraisal and management. There will also be a gradual and systematic hand-over of project activities to the established institutions.

16. Wherever feasible, current area development scheme projects will be expanded to neighbouring geographical areas, leading to economies of scale in the associated operational overheads, since existing project management structures and assets will be retained, with the same project staff and other resources covering both the original and the expanded project areas. Furthermore, greater attention will be paid to nomads, the urban poor and the displaced, and efforts will be made to attract the participation of other donors and NGOs in activities directed at these target groups. In South Darfur State a coordination mechanism will be established with the United Nations Capital Development Fund, to co-finance two rural water supply projects and the rehabilitation of the Nyala-Idd El Fursan road by integrating them into the area development scheme framework.

B. Area rehabilitation and reconstruction

17. In some areas, especially in the South, the civil war has inhibited prospects for sustained economic and social progress and has led to the emergence of severe food shortages, making humanitarian and emergency assistance an inevitable and dominant feature of any external donor assistance to the Sudan. In such areas, and in other areas where there is civil strife, full-fledged development activities are difficult to pursue, but the experience with area rehabilitation schemes in the last two years has convinced both the Government and the UNDP that some development activities are not only viable, but a necessary, although not sufficient, condition for conflict resolution.

18. The Government has requested that UNDP continue and increase its level of support to the ongoing area rehabilitation schemes in southern Sudan (Juba and Wau) and in the Nuba Mountains of Southern Kordofan State (Kadugli). New projects will be started in Upper Nile (Malakal), Western Kordofan, Northern and Red Sea States. The objectives of the area rehabilitation scheme projects will be to: (a) in the short-term, restore household food security and self-reliance; (b) in the medium-term, rehabilitate and reconstruct the basic social infrastructure; and (c) in the long-term, prepare the ground for post-conflict recovery and development programmes. Linking the area rehabilitation scheme and ongoing emergency programmes will also provide a good opportunity to foster national dialogue and UNDP support to the revitalization of the Intergovernmental Authority for Development initiative.

19. At the same time, taking a longer-term perspective, capacity-building and the development of specialized skills through vocational and in-service training will eventually create jobs and promote self-employment. In some area rehabilitation schemes in the South, a number of activities will target female-headed households, of which there are many. In addition, activities will: (a) serve as mediums for an exchange of views on development issues in the North and South; (b) foster better understanding between the different tribes and ethnic groups in the South and the North, as well as within the same areas; and (c) identify conflict resolution initiatives at the grass-roots levels.

C. Strategic planning

20. Poverty in the Sudan has been compounded by the lack of well-conceived strategies, poor use of resources and inadequate incorporation of the poor into the design and implementation of development activities. There is evidence of a lack of balance in development, since investment efforts are concentrated in the middle of the country, where an estimated 75 per cent of the Sudanese population live. Resource misuse has led to serious land and environmental degradation, culminating in desertification that has extended through the northern and central regions to engulf almost one third of the country. A federal structure was introduced in February 1992, initially dividing the country into 9 states, and in February 1994, further subdividing it into 26 states. However, the structure is still very weak and needs strengthening to become effective.

21. The challenges for development planning are enormous. The key strategic issues that need to be addressed are: (a) the efficient use of land, given the quickly deteriorating state of the environment; (b) containing the rural to urban migration of unemployed youth and integrating of displaced people back into their home communities; (c) the equitable sharing of resources and the reduction of socio-economic marginalization; and (d) the need to build an efficient federal system (decentralization).

22. Programme activities will take place at both national and state levels. At the national level, they will include studies (national and sectoral) and activities aimed at policy formulation, programme planning and implementation, building on the support that UNDP is already providing to conduct a poverty study, prepare the first national human development report, and develop a national SHD strategy for the Sudan. Complimentary activities will include the preparation of a national strategy for each of the marginalized groups, including women, the displaced, the urban poor and nomads. A national shelter strategy within the framework of implementation of the Habitat II agenda, a national action plan to combat desertification, and the elaboration of a national strategy on the use of alternate sources of energy, including solar, wind, molasses and crop residues, with increased emphasis on areas of critical environmental problems, will also be supported.

23. UNDP will also help to elaborate and implement a basic education system appropriate for the Sudan's multi-cultural, multi-ethnic and multilingual society. The United Nations Educational, Scientific and Cultural Organization has been commissioned to carry out a basic education sectoral analysis, the results of which will determine the priorities of possible UNDP interventions. Parallel to the implementation of the study. UNDP will support related activities as necessary, in conformity with the CSN areas of focus in education and in close coordination with the appropriate United Nations agencies.

24. Programme planning and management capacities at both national and state levels will be enhanced by streamlining arrangements for and providing training in national execution, project planning and implementation, aid management and coordination, and monitoring and evaluation. At the state level, the overall aim will be to promote self-reliance and enhance capacity for management development, while at the same time strengthening the process of decentralization, mainly through training. A key activity will be the

preparation of state-specific poverty reduction and development strategies. For those states currently in areas of civil strife, such strategies will assist them to prepare for immediate implementation of priority development in a post-conflict situation.

25. Building on UNDP-sponsored initiatives, the Government has agreed in principle to the implementation of some development activities at the grass-roots level to assist communities throughout the Sudan. HIV/AIDS and basic education projects are already being discussed. Some donors have also expressed particular interest in financing activities that have a positive impact on conflict resolution and peace promotion.

D. Energy, environment and natural resource management

26. Global Environment Facility (GEF) and other relevant funds will be mobilized to support project activities aimed at the efficient use of available energy sources, capacity-building and the strengthening of energy institutions, particularly in terms of management.

27. Some activities begun under the fourth country programme will continue, such as those in the areas of: (a) promoting environmental awareness and supporting resource-users in environmental protection, conservation and rehabilitation; (b) building the capacity of the Government and civil society in sustainable environmental development planning; (c) fostering the sustainable management of natural resources, with a focus on biodiversity conservation, climate change and global warming in fragile ecosystems; (d) developing sustainable farming systems within the context of a sustainable environment; and (e) integrating sustainable rural energy in development planning, focusing on the identification of alternative energy options aimed at conserving the biomass and halting the present trend of land degradation.

E. Service areas

28. The present situation of shrinking development resources poses a major challenge to the development of mechanisms for aid coordination and management. To optimize the impact of limited resources, UNDP will continue to spearhead and support the implementation of the CSN and the preparation of the common country assessment as important steps towards the harmonization of technical cooperation programmes, the consolidation and coordination of activities, and the achievement of effective collaboration among United Nations organizations, other donors and the Government. UNICEF, the United Nations Population Fund and UNDP have already harmonized their country programmes, beginning with the period 1997-2001.

29. UNDP will promote a national understanding of the SHD concept and its close linkage with poverty eradication and good governance. A national workshop to introduce the SHD concept to government officials and other development partners has already been held and follow-up activities are planned at the state level. Another critical area of advocacy is that of conflict resolution, including post-conflict management and its linkage with good governance. UNDP will

support the Government's administrative reforms for better management of development and of financial and material resources. Support for policy and programme development (SPPD) resources will be used for policy dialogue and strategy and programme formulation. The area development and area rehabilitation scheme models will be used as instruments to narrow the gap between policy dialogue and operational activities. A review of the macroeconomic framework in which the programmes are being implemented will also be undertaken.

IV. MANAGEMENT ARRANGEMENTS

30. Execution and implementation. The use of the national execution modality will continue and national execution arrangements and responsibilities will be streamlined. Agreement has been reached to establish the Sudan Agency for National Execution - an autonomous, self-financing national institution to provide the operational support and meet other capacity-building needs. A national execution operations manual for the Sudan is currently being prepared.

31. The use of national execution will be guided by the assessment of the proposed national institution's ability to execute or implement the concerned UNDP-assisted programme. Since these institutions will be responsible for the management of the programme's resources and for achieving the expected results, the assessment will cover their management, technical and financial capacities for implementation. Where the required minimum capacities cannot be assured, United Nations agency execution will be utilized. Furthermore, in order to achieve the maximum impact of development cooperation and ensure the cost-effective use of resources, the programme approach will be applied. In-country training on the programme approach has already been initiated, and more training will be offered.

32. High priority is given to the role to be played by the state-based technical and local administrative institutions in programme implementation, as well as the community-based organizations and NGOs at the grass-roots level, as the main driving forces in the process of change. Flexibility in programmes will encourage the continuous build-up of subprogrammes and projects. For the first time, resource mobilization will be introduced at the local level.

33. The use of NGOs will further strengthen the technical quality of programme implementation. Support for technical services (STS) funds will be used to provide technical backstopping by United Nations specialized agencies, as appropriate. The use of national volunteers will be piloted.

34. A national coordination committee will be established to oversee the implementation of the programmes under the CCF. Chaired by the Under-Secretary of the Ministry of Finance and Economy, the national coordination committee will be composed of representatives of the Ministry of Finance and Economy, key line ministries, UNDP, United Nations agencies and other relevant donors participating in the programmes. The committee will coordinate programmes and ensure that the CCF responds immediately to changes in national priorities and the socio-economic situation. A secretariat composed of staff of the Ministry of Finance and Economy and UNDP will support the committee.

35. Monitoring and review. The CCF will be subject to continuous monitoring and regular reviews, both mandatory and as judged necessary by the concerned parties. The reviews will verify that its focus remains relevant to the established national goals and priorities, that the quality of implementation is producing the desired impact, and that the individual programmes are possible to sustain. A mid-term review will be conducted in 1999, at the mid-point of implementation, and the recommendations made by all parties will be adopted, as appropriate, to ensure that the first CCF achieves its anticipated objectives.

36. Established SHD indicators will be used to assess the impact of the first CCF. Community-based indicators will be developed to measure impact at the local level. Overall, some constraints will have to be overcome, mainly, the lack of reliable baseline data. Accordingly, one of the first activities in all new project areas will be the generation of reliable baseline data to enable the measurement of impact. As a prerequisite, monitoring and evaluation systems will be put into place at the grass-roots level. These systems will focus on impact and be simple enough to enable the concerned communities to implement them on their own, with minimal training and supervision, during and after the end of the programme.

37. Resource mobilization. In view of the tight resource situation in the Sudan, the CCF will give great weight to the level of co-financing available through cost-sharing or parallel financing, especially by other United Nations agencies and/or the participating communities. However small, beneficiary contributions will have the merit of inculcating a sense of ownership among the beneficiaries.

38. The strategy for resource mobilization will include: (a) assistance by UNDP to the Government to approach non-traditional donors; (b) use of the UNDP resources as seed money to build high-leverage programmes; (c) the stimulation of government cost-sharing at the programme level, particularly by the states; (d) strategic tapping of beneficiary communities' own resources; (e) full integration of government-managed funds, such as those from Zakat (a voluntary contribution under Islam) and banks that base their transactions on shariah, the Muslim code of religious law, the Social Solidarity Fund and the Productive Family Programme, with other resources; and (f) involving the private sector.

39. Efficient use will also be made of the complementary non-core funds available from United Nations Capital Development Fund, GEF, Capacity 21, the Office to Combat Desertification and Drought and the Organization of Petroleum Exporting Countries. Additional financing is expected from some bilateral donors who have expressed keen interest in financing development activities at the grass-roots level in southern Sudan.

Annex

RESOURCE MOBILIZATION TARGET TABLE FOR THE SUDAN (1997-2001)

(In thousands of United States dollars)

Source	Amount	Comments
UNDP CORE FUNDS		
Estimated IPF carry-over	2 433	
TRAC 1.1.1	27 207	Assigned immediately to country.
TRAC 1.1.2	0 to 66.7 per cent of TRAC 1.1.1	This range of percentages is presented for initial planning purposes only. The actual assignment will depend on the availability of high-quality programmes. Any increase in the range of percentages would also be subject to availability of resources.
TRAC 1.1.3	4 625	Based on proposals pending headquarters review.
SPPD/STS	1 328	
Subtotal	35 593[a]	
NON-CORE FUNDS		
Government cost-sharing	635	
Sustainable development funds GEF Capacity 21	1 960 of which: 1 738 222	
Third-party cost-sharing	284	
Funds, trust funds and other	10 000	UNCDF: $4 million already assigned. Government is requesting an additional $6 million.
Subtotal	12 879	
GRAND TOTAL	48 472[a]	

[a] Not inclusive of TRAC 1.1.2, which is allocated regionally for subsequent country application.

Abbreviations: GEF = Global Environment Facility; IPF = indicative planning figure; SPPD = support for policy and programme development; STS = support for technical services; TRAC = target for resource assignment from the core; and UNCDF = United Nations Capital Development Fund.